

SECOND REGULAR SESSION

# HOUSE BILL NO. 1909

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE O'CONNOR.

Read 1<sup>st</sup> time February 12, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

4566L.011

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### AN ACT

To repeal sections 301.280 and 301.559, RSMo, and to enact in lieu thereof two new sections relating to licensing of motor vehicle and boat dealers.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 301.280 and 301.559, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 301.280 and 301.559, to read as follows:

301.280. 1. Every motor vehicle dealer and boat dealer shall make a [monthly] report  
2 to the department of revenue, [on blanks to be prescribed by the department of revenue, giving]  
3 **as prescribed by the director, except that such report shall not be required more than**  
4 **monthly. The report shall contain** the following information: Date of the sale of each motor  
5 vehicle, boat, trailer and all-terrain vehicle sold; the name and address of the buyer; the name of  
6 the manufacturer; year of manufacture; model of vehicle; vehicle identification number; style of  
7 vehicle; odometer setting; and it shall also state whether the motor vehicle, boat, trailer or  
8 all-terrain vehicle is new or secondhand. The odometer reading is not required when reporting  
9 the sale of any motor vehicle that is ten years old or older, any motor vehicle having a gross  
10 vehicle weight rating of more than sixteen thousand pounds, new vehicles that are transferred  
11 on a manufacturer's statement of origin between one franchised motor vehicle dealer and another,  
12 or boats, all-terrain vehicles or trailers. The sale of all [twenty-day] temporary permits, without  
13 exception, shall be recorded in the appropriate space on the dealer's [monthly] sales report by  
14 recording the complete permit number issued on the motor vehicle or trailer sale listed. The  
15 [monthly] sales report shall be completed in full and signed by an officer, partner, or owner of  
16 the dealership, and actually received by the department of revenue on or before the fifteenth day

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17 of the month succeeding the [month for which the sales are being reported] **time period for**  
18 **which the sales report is required.** If no sales occur in any given [month] **reporting period,**  
19 a report shall [be submitted] **still be required** for that [month] **period** indicating no sales. Every  
20 motor vehicle and boat dealer shall retain copies of the [monthly] sales report as part of the  
21 records to be maintained at the dealership location and shall hold them available for inspection  
22 by appropriate law enforcement officials and officials of the department of revenue.

23         2. Every dealer and every person operating a public garage shall keep a correct record  
24 of the vehicle identification number, odometer setting, manufacturer's name of all motor vehicles  
25 or trailers accepted by him for the purpose of sale, rental, storage, repair or repainting, together  
26 with the name and address of the person delivering such motor vehicle or trailer to the dealer or  
27 public garage keeper, and the person delivering such motor vehicle or trailer shall record such  
28 information in a file kept by the dealer or garage keeper. The record shall be kept for three years  
29 and be open for inspection by law enforcement officials and persons, agencies and officials  
30 designated by the director of revenue.

31         3. Every dealer and every person operating a public garage in which a motor vehicle  
32 remains unclaimed for a period of fifteen days shall, within five days after the expiration of that  
33 period, report the motor vehicle as unclaimed to the director of revenue. Such report shall be on  
34 a form prescribed by the director of revenue. A motor vehicle left by its owner whose name and  
35 address are known to the dealer or his employee or person operating a public garage or his  
36 employee is not considered unclaimed. Any dealer or person operating a public garage who fails  
37 to report a motor vehicle as unclaimed as herein required forfeits all claims and liens for its  
38 garaging, parking or storing.

39         4. The director of revenue shall maintain appropriately indexed cumulative records of  
40 unclaimed vehicles reported to the director. Such records shall be kept open to public inspection  
41 during reasonable business hours.

42         5. The alteration or obliteration of the vehicle identification number on any such motor  
43 vehicle shall be prima facie evidence of larceny, and the dealer or person operating such public  
44 garage shall upon the discovery of such obliteration or alteration immediately notify the highway  
45 patrol, sheriff, marshal, constable or chief of police of the municipality where the dealer or  
46 garage keeper has his place of business, and shall hold such motor vehicle or trailer for a period  
47 of forty-eight hours for the purpose of an investigation by the officer so notified.

301.559. 1. It shall be unlawful for any person to engage in business as or act as a motor  
2 vehicle dealer, boat dealer, manufacturer , boat manufacturer, public motor vehicle auction,  
3 wholesale motor vehicle auction or wholesale motor vehicle dealer without first obtaining a  
4 license from the department as required in sections 301.550 to 301.573. Any person who  
5 maintains or operates any business wherein a license is required pursuant to the provisions of

6 sections 301.550 to 301.573, without such license, is guilty of a class A misdemeanor. Any  
7 person committing a second violation of sections 301.550 to 301.573 shall be guilty of a class  
8 D felony.

9       2. [All dealer licenses shall expire on December thirty-first of each year.] **The director**  
10 **of revenue shall have the authority to stagger or extend the expiration date of a dealer**  
11 **license or dealers licenses being renewed.** The department shall notify each person licensed  
12 under sections 301.550 to 301.573 of the date of license expiration and the amount of the fee  
13 required for renewal. The notice shall be mailed at least ninety days before the date of license  
14 expiration to the licensee's last known business address.

15       3. Every manufacturer, boat manufacturer, motor vehicle dealer, wholesale motor vehicle  
16 dealer, wholesale motor vehicle auction, boat dealer or public motor vehicle auction shall make  
17 application to the department for issuance of a license. The application shall be on forms  
18 prescribed by the department and shall be issued under the terms and provisions of sections  
19 301.550 to 301.573 and require all applicants, as a condition precedent to the issuance of a  
20 license, to provide such information as the department may deem necessary to determine that the  
21 applicant is bona fide and of good moral character, except that every application for a license  
22 shall contain, in addition to such information as the department may require, a statement to the  
23 following facts:

24       (1) The name and business address, not a post office box, of the applicant and the  
25 fictitious name, if any, under which he intends to conduct his business; and if the applicant be  
26 a partnership, the name and residence address of each partner, an indication of whether the  
27 partner is a limited or general partner and the name under which the partnership business is to  
28 be conducted. In the event that the applicant is a corporation, the application shall list the names  
29 of the principal officers of the corporation and the state in which it is incorporated. Each  
30 application shall be verified by the oath or affirmation of the applicant, if an individual, or in the  
31 event an applicant is a partnership or corporation, then by a partner or officer;

32       (2) Whether the application is being made for registration as a manufacturer, boat  
33 manufacturer, new motor vehicle franchise dealer, used motor vehicle dealer, wholesale motor  
34 vehicle dealer, boat dealer, wholesale motor vehicle auction or a public motor vehicle auction;

35       (3) When the application is for a new motor vehicle franchise dealer, the application  
36 shall be accompanied by a copy of the franchise agreement in the registered name of the  
37 dealership setting out the appointment of the applicant as a franchise holder and it shall be signed  
38 by the manufacturer, or his authorized agent, or the distributor, or his authorized agent, and shall  
39 include a description of the make of all motor vehicles covered by the franchise. The department  
40 shall not require a copy of the franchise agreement to be submitted with each renewal application  
41 unless the applicant is now the holder of a franchise from a different manufacturer or distributor

42 from that previously filed, or unless a new term of agreement has been entered into;

43 (4) When the application is for a public motor vehicle auction, that the public motor  
44 vehicle auction has met the requirements of section 301.561.

45 4. No insurance company, finance company, credit union, savings and loan association,  
46 bank or trust company shall be required to obtain a license from the department in order to sell  
47 any motor vehicle, trailer or vessel repossessed or purchased by the company on the basis of total  
48 destruction or theft thereof when the sale of the motor vehicle, trailer or vessel is in conformance  
49 with applicable title and registration laws of this state.

50 5. No person shall be issued a license to conduct a public motor vehicle auction or  
51 wholesale motor vehicle auction if such person has a violation of sections 301.550 to 301.573  
52 or other violations of chapter 301, RSMo, sections 407.511 to 407.556, RSMo, or section  
53 578.120, RSMo, which resulted in a felony conviction or finding of guilt or a violation of any  
54 federal motor vehicle laws which resulted in a felony conviction or finding of guilt.